HAND IN HAND: COMMUNITY AND ECONOMIC DEVELOPMENT IN TUPELO

A CASE STUDY

BY VAUGHN GRISHAM & ROB GURWITT

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The Aspen Institute
Community Strategies Group
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EXECUTIVE SUMMARY

Time was, Tupelo, to the extent that the outside world noticed it at all, was most likely dismissed as a hardscrabble hamlet in northeast Mississippi that just happened to have been the birthplace of Elvis Aron Presley.

But even by 1956—the year its most famous native son burst full-blown onto the world stage—Tupelo was already well along its own journey of self-transformation—a journey that today provides a model for any small community aspiring to revitalize its prospects.

The Tupelo Story, as recounted by its principal raconteur Vaughn Grisham—both in small towns and rural counties across the United States, and now, in the pages of this report—is fast becoming a star to steer by for those who would wish a better life for themselves and their neighbors.

Grisham, who teaches sociology and community development at The George A. McLean Institute for Community Development at the University of Mississippi, has devoted much of his career to understanding just how the citizens of Tupelo, a town which possessed so few natural advantages, have been able to accomplish so much.

For the past fifteen years, for example, Tupelo and Lee County have added more than a thousand industrial jobs each year. New investment during that same period has totaled in the hundreds of millions of dollars. Current unemployment levels hover at three percent.

In fact, Grisham spends a good many weekends each year traveling to communities farflung across the continent to share this seemingly
miraculous tale—and to describe the common-sense guiding principles that have undergirded Tupelo’s transformation.

He tells them that a community from nowhere, with next-to-nothing in the way of resources, can do it. That community development must precede or closely accompany healthy economic development. That effective community development involves, respects, values, and builds the capacity of all the people. That the quality and quantity of connections within a community must improve at the same time as linkages to resources beyond the community.

Grisham makes it abundantly clear that the Tupelo Story does not offer a one-size-fits-all blueprint for community development. It is not a panacea for all the economic woes that bedevil rural communities. Nor can he assure them that, over the long haul, even Tupelo itself will continue to hew to the values and strategies that have brought about its success.

And yet, for his many of his listeners, whether they live in Maine or Montana, Grisham’s narrative does serve as a sort of catalyst, inspiring them to imagine how they might best build upon the one asset that all small communities have in common, regardless of their external circumstances—their people.
Many of America’s small towns are in a struggle for their very existence. Following a decade of growth in the 1970s, the Eighties brought downturns in jobs and population for almost two-thirds of the nation’s nonmetropolitan communities. There is some evidence that this trend may be reversing. A number of rural areas actually appear to be increasing in population. Even the most optimistic of us, however, know that much work lies ahead for small towns.

Clearly, there is no single antidote to counter the macroeconomic forces which often work to the disadvantage of small towns. There is, however, strong and convincing evidence that communities can influence some aspects of their own future. Social scientists are consistently finding that civic engagement—that is, involvement by the population in such organizations as PTAs, choral groups, boy or girl scouts, civic clubs, community cleanup groups, and other voluntary associations—is positively related to a strong economy and good government.

In a landmark piece of research, Robert D. Putnam studied the political and economic status of 20 separate regions of Italy. He found in those regions where the citizenry was active in civic associations, the local economy was more healthy and democracy more vibrant. In a subsequent article, “The Prosperous Community,” Putnam concludes: “Communities in north-central Italy did not become civic because they were rich. They became rich because they were civic.”

Putnam’s findings are only now being published in the 1990s, but they are supported by centuries of observation and experience. In the
early to mid-nineteenth century, Alexis de Tocqueville concluded that American democracy worked because of all the citizen involvement in local voluntary associations. This civic engagement was the foundation and infrastructure of a national democracy.

Even before that, the Scottish philosopher and historian David Hume described a familiar scenario: “Your corn is ripe today; mine will be so tomorrow. ‘Tis profitable for us both that I should labor with you today, and that you should aid me tomorrow. I have no kindness for you, and know you have as little for me. I will not, therefore, take any pains upon your account; and should I labour with you upon my account, in expectation of a return, I know I should be disappointed, and that I should in vain depend upon your gratitude. Here then I leave you to labour alone; You treat me in the same manner. The seasons change; and both of us lose our harvests for want of mutual confidence and security.”

All of us who work in local communities are familiar with this lack of cooperation. We know that our own communities are badly divided and therefore find it difficult to find a common direction. By contrast, mutual cooperation is the primary ingredient in social capital.

Michael E. Porter, another social scientist, offers a parallel perspective in his very important book, *The Competitive Advantage of Nations*. Porter documents the economic power and potential of networking and clustering on a local level. He demonstrates how various actions have gained leadership positions in various services and industries as a result of networking and clustering of industries. Such clustering as occurs in the Silicon Valley may seem far removed from the experience of most small towns. However, one can also see from Porter’s work that local areas can gain a competitive advantage even in small places such as the carpet in-
dustry in Dalton, Georgia or the construction of mobile homes in Elkhart, Indiana. We know that developed and developing nations gain an economic advantage when clustering and networking occurs.

Drawing on these conclusions, many of the United States’ most prestigious foundations are now attempting to sort through the current information about social capital in an effort to establish policies and guidelines that will help them and their constituents to build social capital at all levels of society. While our knowledge is very incomplete and there are a myriad questions to resolve, communities can begin to learn from the existing data and begin to strengthen their own social capital.

There are in fact three types of capital which are vital for all communities: physical, human, and social capital. Physical capital, and the need to develop it, is a primary issue for all communities. On the most basic level, we are all familiar with physical and financial capital. The federal cutbacks have made it even more imperative that towns learn how to access new sources of physical capital. On a local level we are faced with certain fundamental questions: How shall we obtain physical capital or money? How shall we apportion these financial resources?

Social science research suggests a cyclical approach, by which civic involvement at the local level may be a source of physical capital. Moreover, we will find that our greatest return or yield for our physical capital is to invest it in developing human capital, and the human capital is the key component in building social capital.

Human capital is a concept that recognizes the power and potential within every human. When I am in communities throughout the nation, I always ask local people, “What is your greatest asset?” Almost always the response is, “Our People.”
source.” I agree that people are the greatest potential asset. However, the reality is that uneducated, uninvolved people are not an asset. They are a liability. By educating, training, and engaging our people, we enhance and grow our own human capital. Human capital then becomes the primary ingredient in creating the social capital.

Social capital, in turn, has three components: trust, social networks, and norms. These components do not come in an orderly sequence. They are each intertwined with the other. Trust is the initial ingredient. In too many communities, there is a breach between the leadership and constituents. The citizenry has not been trusted with involvement. The failure to involve the citizens breeds suspicion and mistrust, thus preventing the community from accomplishing almost any common action, and leaves each side pointing to the other as the source of the impasse. It is the familiar dilemma noted earlier in David Hume’s observation of missed opportunities for mutual cooperation.

Trust is the binding force in establishing and maintaining the social networks. We are increasingly aware of the importance of networks in the form of teams and teamwork in the workplace. We know that when we engage the whole person with other whole persons, we get much better work results. The same is true in communities. As more people bring their individual talents, skills, and time to the solution of community problems, the stronger are the results. Moreover, collaboration reduces the work load for existing volunteers, who almost always are overburdened. By learning to work together, communities multiply their resources and gain what is popularly called synergy, the added benefits that come from combined action.

The networks often follow existing lines of trust. It is usual for the initial catalytic or change agent to involve in the work those people to whom he
or she is closest. The networks often extend through an informal network of friends. This informal network then extends beyond the original group, often involving the established public or elected sector of the community. Such networks may take years to develop and will continue to evolve and grow throughout their members’ lifetimes. One is always reminded that community development is indeed a process and not an event. Through continual involvement in topics and projects of mutual interest, the network ties themselves are strengthened as trust grows.

These patterns of engagement and interaction in time become normal operational procedure. Thus the habits or norms of the group are transformed. By means of repetition, the once novel attempts at mutual cooperation become normal and expected behavior, the very definition of a norm. In time, the fresh new networks take root and flourish in the richness of this cooperative soil. All the while, this setting of civic engagement is being nourished and sustained by trust and the networks that such trust promotes.

But is this a dream, the fanciful product of a social scientist’s hopeful imagination? No. It works. The three forms of capital—physical, human, and social—can be observed in vibrant communities. This is the story of one such community: Tupelo, in Lee County, Mississippi.

Tupelo and Lee County rose from the depths of poverty and hardship to become a model for community development over the past half-century. The 1940 Census showed Lee County to be one of the poorest counties in the poorest state of the Union. Over the next decade, local citizens provided the financial capital to create a model agricultural program and launch an extensive program for the development of human and social capital.

Among the highlights of the results, Lee County gained more industrial jobs in 1967 and 1969 than the other 81 counties combined. It has
added more than 1,000 new industrial jobs and built more than one million square feet of industrial space every year for the past 13 years. The county has added almost twice as many service jobs. In 1998, Lee County could boast of having almost 53,000 jobs in a county with a population of only 72,000.

Furthermore, the county’s poverty rate is approximately one-half the national average. The school system has received awards from the Ford Foundation and Kennedy School of Government as a model of private and public cooperation. Tupelo has twice been cited as one of 10 All America Cities by the National Civic League. The Tupelo Model has been identified as a national model by the U.S. Department of Agriculture, the U.S. Chamber of Commerce, and the Federal Reserve System. Site Magazine lists its industrial development program as one of the 10 best in the nation.

Even with all its limitations and imperfections, Tupelo is worthy of study and consideration. Some of the shortcomings are easily seen, and the community regularly engages in efforts to improve constantly. It must do so. Even the best of plans will come undone if social capital lags.

I have placed this community under a microscope during almost 30 years of intensive scrutiny. This booklet is one of the products. In it, hopefully you will find the results of the development of all three forms of capital and will understand better how to strengthen your own community.

VAUGHN L. GRISHAM
It has been more than a half-century since the day in 1940 that George McLean almost got tossed out the door of a hardware store on Main Street in Tupelo, Mississippi. In that time, Tupelo has grown sixfold in population. It has climbed from the ranks of the poorest communities in the nation into the company of the most fortunate. It has become the envy not just of Mississippi, but of a good bit of the South. And it has created a model of community and economic development that is without peer among this nation’s small, nonmetropolitan cities.

These are grand accomplishments, yet they are rooted in the thinnest of soils. Had McLean not been a man possessed of the sheer stubbornness he displayed that day, they might never have sprouted. And had the people of Tupelo and Lee County not been receptive to his notions, Tupelo might have remained what it was at the time—a poor, undistinguished town battered by the Great Depression, lurching from one short-lived economic development scheme to another.

McLean, the young publisher of the Tupelo Daily Journal, had dropped by the store with a request. A relative newcomer to town and an ardent progressive, McLean was known in Tupelo for using the pages of his newspaper to promote sympathy for the causes of workers, farmers, and the poor. The town’s more prominent citizens—among them the hardware store’s owner, whom we’ll call Bill Jones—were suspicious of McLean.

“I’m George McLean. I own the Tupelo Journal,” the young newspaperman said to Jones, sticking out his hand.
Jones refused to take it. “I know who you are,” he said. “I don’t read that rag, and I want you out of my store.”

“Well, I’m here as a businessman, and I’d like to make a business proposition,” McLean persisted. Jones wanted none of it. He began shoving McLean toward the entrance.

McLean had no intention of going so easily. “How much did you gross last year?” he asked. “None of your damn business,” Jones replied. They were at the door by now, McLean trying to hold his ground, Jones adamant that he leave.

“You probably grossed $2,000,” McLean said, tossing out a ridiculously low figure. Jones was indignant. “Why, I grossed $8,000 last year,” he retorted.

“Well, then,” McLean shot back, “what if I could show you a way to gross $10,000 or more in a matter of two or three years? Would you be interested?” With that, he had his man. Jones stopped pushing.

“Let me tell you how come you grossed only $8,000 last year,” McLean continued. Jones’ customers were country people, he pointed out, and annual rural family income in Lee County, which includes Tupelo, was only $600 at the time. If the county wasn’t the poorest in the United States, it certainly was close. “As long as your customers are poor,” he said, “you’re going to be poor. You can’t sell them anything beyond their spendable income. So let’s find a way they can make more money. If they can make more money, they can buy more of your hardware.” Jones had to admit that this made sense.

As events proved, Jones was right. It did make sense. What McLean had set out to do—what he was doing all up and down Main Street, in
what he later came to call “coffee-cup diplomacy”—was to plant three fundamental ideas in the minds of merchants and town leaders:

- Tupelo’s future lay as much in the countryside around it as it did in the town itself;
- It depended as much on Lee County’s poorest residents as it did on its most favored; and
- Citizens who could afford to do so ought to invest their money and time in raising the quality of life of all the area’s people.

McLean put his proposition in terms Jones could understand: If Jones put some of his money into improving the community, he would reap handsome dividends. Investing in Tupelo would pay off far better than buying stock in some far-away corporation.

There was no arcane magic in these ideas. For anyone who cared to think about them for a moment, they were obvious. Yet only four years earlier, when McLean first set them forth in a published editorial, nothing came of them. No one in town paid attention. As is often the case even today, town leaders saw little connection between their community’s development and their own daily concern with earning a better living and rearing a family.

Before his community-building ideas could be taken seriously, McLean decided, two things had to happen. First, he had to find a way to demonstrate to Lee County’s elite that their own self-interest lay in improving the lives of less well-off residents. To do that successfully, however, he had to build trust between himself and town leaders, and then between the leadership and the pop-
ulation at large. Both tasks, it turned out, would take years. Yet that is precisely where the story of Tupelo’s development really begins, both as a community and as one of the economic jewels of the American South—not in ideas alone, but in the hard work of connecting those ideas to the daily lives of ordinary people. In Tupelo, community development came before economic development, and that, as we shall see, has made all the difference.

**Up by the Bootstraps**

It can be hard for an outsider to appreciate just what being located in northeast Mississippi means for a community, but it is not, most would agree, a competitive advantage. The region has its own grace and beauty, of course. But for the most part, northeast Mississippi communities must cope with both sparse resources and relative isolation. Tupelo and Lee County got where they are today without the benefit of significant natural advantages.

There is, for instance, no body of water next to Tupelo that would help its development by facilitating transportation or serving as a recreation draw. There is no special natural beauty surrounding it to attract tourists. There are no mineral resources to be dug from the soil, and even Lee County’s richest agricultural land had been severely depleted by the late 19th century. There are no government installations to pull in a reliable flow of outside cash. The nearest cities are actually not so near: Memphis lies almost 100 miles to the northwest, and Birmingham, more than 100 miles to the east. Until recently, there were no four-lane highways closer than 75 miles away. All Tupelo has ever had is its people, the resources they have been able to muster, and the enduring culture of community they have been able to forge. This is a town that literally has built itself through a focused process of community development.
Moreover, it has built itself from a particularly inauspicious set of circumstances. Its first 70 years, from the time the town incorporated in 1870 until the day George McLean buttonholed Bill Jones, were marked more by stymied hopes and desperate straits than by civic progress. Most of that time, Tupelo was little more than a minor hub for rural trade and the site of a few struggling factories, and even those modest economic mainstays were battered by the Depression of the 1930s and by a tornado that devastated the town in 1936, destroying 800 homes and killing 230 people. By 1940, some of the banks in town had shut their doors, factory workers had gone for several years without work, farmers either had been forced off the land or were living in deep poverty, and those merchants who hadn’t gone under were far from sure they could hang on.

Though these circumstances may have been more dire than many struggling communities face today, the difference is mostly one of degree. Go into any hard-up community these days and ask its residents to describe its assets, and almost inevitably they will respond, “People are our greatest asset.” That was the case in Tupelo as well. But what set Tupelo apart was that it recognized that its people were not so much the answer to its problems as they were the raw material from which an answer could be crafted. For if there is any single lesson to be drawn from Tupelo’s experience, it is this: Developing the community—connecting its people and its institutions—lays a base for balanced and sustainable economic development. In Tupelo, citizens themselves developed strong community organizations that could successfully channel their energy and accomplish their ideas. It has been Tupelo’s dedication to finding ways of helping poor people to help themselves that put it on its current track, and its commitment over the decades to pumping its economic gains back into the community that has kept it there.
Where It’s All Led

To understand the genuine power of this approach, contrast Lee County’s debilitated state in 1940 with where it stands today. It has been identified as a model for community development by the U.S. Department of Agriculture, the U.S. Chamber of Commerce, the National Civic League, and the Federal Reserve System. Its economic development program is recognized as one of the nation’s best. It is the second-wealthiest county in the state, having surpassed all but Hinds County, which contains Jackson, the state capital. It hosts more than 200 highly diversified manufacturers, including 18 Fortune 500 companies and 45 international corporations, an astounding concentration for what remains an overwhelmingly rural region.

Moreover, Lee County’s economic base is growing rapidly. In each of the past 13 years, the county has added more than 1,000 manufacturing jobs and more than one million square feet of industrial space, while the service sector has been growing even faster, at a pace of about 1,500 new jobs a year. Lee County employers now provide more than 52,000 jobs, in a county with a total population of only 72,000. Tupelo has become the leading wholesale and retail center in northeast Mississippi; annual retail sales now exceed a billion dollars.

As removed as it is from the urban centers of national commerce, Lee County has become a national hub of the upholstered furniture industry. More upholstered furniture is produced in the 10-county area surrounding Lee County than in any other part of the nation. The Tupelo furniture market now rivals the markets in Atlanta and Dallas. Even more important, though the upholstered furniture business is a low-wage industry, its success has instilled a culture of entrepreneurship in the region that has, among other things, made it possible for
many furniture workers to strike out on their own and start their own successful companies.

Both manufacturing and the service sector have kept Lee County families in good stead; aside from furniture-making, these are for the most part not low-wage jobs. Median annual family income has risen from among the lowest in the nation to $38,500, slightly ahead of the national median. Only seven percent of the county’s families live below the poverty line, compared with the national average of 16 percent and a Mississippi average of 22 percent. The North Mississippi Medical Center—which employs more than 4600 people—is both a key source of jobs and the largest medical center in a nonmetropolitan community in the nation. Three educational institutions, all of them paid for mostly by local investment—a branch of Itawamba Community College, a branch campus of the University of Mississippi, and one of the nation’s largest technical training institutions—have made Lee County a center of higher education in the region.

Lee County’s economic success both derives from and supports a rich community life that seems surprisingly robust for what is, after all, a modestly sized rural county. The public school system is consistently rated as one of the best in the nation, and Tupelo supports a thriving symphony, art museum, and theater at a time when larger communities have seen their own cultural institutions founder. Not coincidentally, Tupelo and Lee County are also awash in volunteerism and civic participation: The school system is supported by both public and private contributions; the symphony and other arts and recreation organizations draw support from a broad base of individual donors; a host of agencies, addressing everything from agricultural promotion to literacy, provide an outlet for citizens determined to improve their community. Lee County may be the only place in the country where it is more difficult not to be involved in community affairs than to take part in them.
The Story Begins

In some ways, though, the starkest contrast between the Tupelo of the last half-century and its earlier history lies in how it went about addressing development. Much of the town’s history for the 70 years after its incorporation in 1870 consisted of a struggle for sheer survival interspersed with a handful of important victories—getting designated as the county seat, convincing railroad magnates to construct a line through what was then still a village, constructing a cotton seed oil mill. The efforts that brought these advances were few and far between, and mostly represented the actions of a few prominent citizens trying to stave off economic ruin. For the most part, each citizen of Tupelo looked after his or her own interest first, with little thought for the community as a whole.

That pattern did change a bit during World War I. With the cotton trade disrupted, cotton prices in seeming free-fall, and the ravenous boll weevil ravaging local cotton fields, the town made its first real stab at cooperative development. In 1916, a Tupelo banker named Jim High convinced other bankers to come together to invest in diversifying agriculture in rural areas. “We had neither cotton nor corn nor feed in 1916,” he recalled later. “Bankers like myself found their note cases full of notes which farmers could not pay. Merchants who had carried farmers on credit could not collect their accounts. That boll weevil convinced us that it was folly to depend on a one-crop system.”

It was the first time that local businessmen had joined with the rural population in a program to benefit the whole county, and the effort raised farm income dramatically, but only for a time. It was, essentially, an *ad hoc* program; the town’s leaders never built an organizational structure to sustain their collaborative efforts for the long term. And so, though the program brought a decade or so of greater prosperity, in the end the Depression destroyed it.
By the time George McLean found himself in Bill Jones’ store, Tupelo was again scraping bottom. The town’s banks were in serious financial trouble. McLean’s newspaper itself had only 500 subscribers. The county’s main employer, a garment factory, closed in 1937 after a bitter labor strike that deeply divided Tupelo and left a stubborn residue of anger and mistrust between the town’s workers and its leaders. There was, for all intents and purposes, no community forum in which townspeople could resolve their differences, learn to work together, and craft a future.

None of this changed all at once. McLean knew that he had to start small, and that his first step would be to boost the development of Lee County’s poorest people, which meant its farmers. That is what he was doing in Bill Jones’ hardware store that day: He was drumming up funds to buy a top-quality bull for Lee County farmers to use in building up—or, in the cases where farmers already had cows, improving—their dairying stock.

It was not enough, though, just to raise funds from business people in town. McLean was convinced that he and other business leaders also had to apply this seed money to something that would allow rural people to become full participants in improving their own lives. Tupelo’s businessmen, in other words, had to find a way of helping the county’s farmers relieve the economic stress that made their lives so difficult.

Over two-thirds of Lee County’s farmers in the late 1930s were scratching out a living on fewer than 50 acres a farm, on land that was badly depleted and eroded. Though there were some dairy and poultry farmers—holdovers from an agricultural diversification effort in the 1920s—most were still trying to raise cotton. Cotton had tradition on its
side, but that’s about all; it had real drawbacks for poor farmers trying to raise themselves beyond mere subsistence. The biggest of these was that the crop came in only once a year; until then farmers had to survive on credit, which meant that in years when interest rates were high they usually ended the year poorer than they began it.

On an extended trip to various university schools of agriculture around the country, McLean and others had learned that switching to dairying would give farmers a constant stream of income, since they’d be selling their milk every day or two. The earlier farm diversification effort had helped a few Lee County farmers, but McLean was determined that this time even the poorest farmers would find a way to switch out of cotton. The problem was that the success of any dairying program depended on having first-rate stock, and poorer farmers could not afford the price of a good bull. Hence, in search of that essential start-up capital, McLean launched his fundraising trip up and down Main Street.

In the end, he was so successful at persuading Jones and other Tupelo business leaders of the importance of investing in the farm population that 16 of them went into debt to begin an artificial insemination program. They bought a bull, hired a dairy expert, and set out to inseminate cows within a 33-mile radius of Tupelo, charging farmers a minimal $5 fee per cow. The first year, only 150 cows were bred, but the number increased the following year to 1,100, and the total grew each year after. Eventually, they bought three bulls, one of them of world championship quality. When the offspring of this stock began producing milk, they added more than $2 million (in 1940 dollars) to the local economy, much of which flowed right into the hands of the poorest farmers in the county. Lee County soon became the leading dairy county in Mississippi, and Tupelo’s merchants recouped their investments many times over.
It is easy to overlook the thought and work that went into taking Lee County’s first step. The decision to focus on dairying—specifically, to buy a bull that would help farmers build up productive herds—only came after George McLean and a few others put in considerable time identifying who made up Lee County’s poor, analyzing the problems they faced, and then studying ways of addressing them. **COMMUNITY DEVELOPMENT BEGINS WITH A BOLD AND CLEAR-EYED EXAMINATION OF WHO THE DISADVANTAGED ARE AND WHAT KEEPS THEM IN THAT CONDITION.**

Just as important, the solution that McLean and his allies hit upon was, for 1940, extraordinary. In a farsighted recognition that it was part of a global economy, Tupelo sent a delegation to the Isle of Jersey, which sits off the coast of France, to buy one of its bulls, since this was where the best stock could be found. And the use of artificial insemination was, in essence, a recognition that technology could be harnessed on behalf of community improvement. **TECHNOLOGY AND GLOBAL ECONOMIC FORCES NEED NOT DO HARM TO VULNERABLE COMMUNITIES; THEY CAN ALSO BE EXPLOITED ON THE COMMUNITY’S BEHALF.**

As modest as a dairy-breeding program might sound, it’s crucial to recognize what it actually represented—a first success for George McLean’s vision. It helped McLean and those who worked with him to establish themselves not only as trustworthy advocates of community development, but as successful ones as well. **COMMUNITY DEVELOPERS NEED EARLY, VISIBLE SUCCESSES.**
The dramatic (and highly visible) success of the dairy program—and of a smaller-scale effort to promote poultry-raising—reinvigorated Tupelo. It turned aside any doubts that a grassroots economic development project could work. It restored the credibility of the town’s business leaders and established a growing sense of trust between them and farmers in the county. It lifted the economic stress under which the poorest farmers had labored. And it flushed the community with new financial resources for still other community development programs.

This was crucial. Jim High’s earlier diversification effort failed because the town was unable to build on it or find ways of sustaining it; citizens were unaccustomed to thinking in terms of common enterprise. George McLean and other business owners in town looked at that history and were determined not to repeat it. They set out to build a set of robust community institutions that would carry their gains forward.

One other byproduct of the dairying project’s success was to establish George McLean’s credibility with business owners and farmers alike. McLean and his newspaper had sided wholeheartedly with labor during the 1937 strike, earning him the enmity of most town merchants and business owners. Many remained skeptical of his positions on social matters even after the dairy program had proven itself, but they grudgingly agreed that he did his homework, understood the craft of community development, was concerned with the best interests of the community, and was not a self-promoter. In short, they began to trust him.
So they paid attention in 1945 when, after returning from service in the Navy, McLean hired the Doane Agricultural Service, a St. Louis-based consulting service with a top-drawer national reputation, to help Tupelo prepare an overall plan for community development. What Doane came up with bore a striking resemblance to the editorial McLean had published the decade before—emphasizing the importance of investing in the community and linking town and country—but this time, the town’s leaders did not ignore it.

Armed with the results of the study—and with advice gathered in conversations with Doane’s president, Tru Morse, and with the dean of the agriculture program at the University of Georgia, Paul Chapman—McLean convinced business owners in town to help support an organization modeled after a community program that had enjoyed some success near Knoxville, Tennessee. In 1946, his newspaper took the first step in creating a series of “rural community development councils” (RCDCs) in the area’s rural hamlets. The councils would provide a structure for mobilizing farmers and stirring them to become involved in the development of their own communities.

The Journal then hired a young military veteran and recent graduate of Virginia Polytechnic Institute, Sam Marshall, to work directly with rural communities and their councils. Marshall’s charge was, essentially, to sit in the back of the room and help rural residents help themselves; he could give them technical assistance when they needed it, but otherwise the program was to remain firmly under local control. “There is no limit to what an organized community can do—if it wants to” became the program’s slogan and driving sentiment.

Tupelo’s business owners were not the only people who had to be sold on the idea; outlying rural communities needed convincing as well.

In 1946, the Tupelo Daily Journal took the first step in creating a series of “rural community development councils” (RCDCs) to provide a structure for involving farmers in the development of their own communities.
So McLean bought a motion picture projector, rented films, and he and his wife set out to visit every rural community in the surrounding area. Admission to the films was free, as long as McLean was allowed 10 minutes to present his case for a grassroots, rural-based development program. He turned out to be enormously persuasive. In the first year of the program, three communities in three counties set up pilot RCDCs. By the following year, there were 43 in five counties.

**The Community Development Foundation**

However apparent it may have been that Tupelo’s rural neighbors needed some form of institution through which to direct their own development, it was blindingly obvious that Tupelo and Lee County as a whole needed something of the sort as well. The most obvious candidate was the Chamber of Commerce, but even before the Doane study, McLean, who had served as the Chamber’s unpaid director, became convinced that it was too narrow in its approach. It served business interests first, and the full community only incidentally. It commanded neither interest nor respect out in the countryside; among Tupelo’s citizens, it was seen primarily as an organization for enriching business people. It had to be replaced.

McLean’s feelings were mirrored by other Tupelo leaders. Tupelo needed a new organization, they decided, one that would both elicit a broader base of participation and reflect a wider range of community concerns. This organization, McLean and others felt, would be the community’s vehicle for investing in itself on a continuing basis—a way to pool individual participation and business resources to improve the quality of life and earning potential of the area’s citizens and, not coincidentally, the wealth of its businesses.
And so, in 1948, eighty-eight of Tupelo’s leaders got together to form the Community Development Foundation. The town’s three banks and the Journal formed the core of its support, but every business in town was asked to contribute something. In its first year, with 151 founding members, the CDF raised $25,000; the most the Chamber had ever been able to muster was $8,000.

Over time, as we shall see, the Community Development Foundation (CDF) was to become the linchpin of community life in Tupelo and its surroundings, the organization through which things got done. Its purpose, the charter declared, was “to coordinate, initiate, promote, develop and assist in the financing, management and direction of enterprises leading to the upbuilding of the community.” In any other community, a group of citizens taking that role upon themselves would have been called “the power elite” and would undoubtedly have been self-selecting, wealthy, and given to acting behind closed doors. In Tupelo, anyone with the inclination and the dues—which varied according to one’s income—could join in.

**Key Themes Undergirding Tupelo’s Development**

Before taking a look at what the rural councils and the CDF actually accomplished in the region, it is worth stopping for a moment to consider their larger significance. By the end of the 1940s, even before Lee County had gone very far in its climb out of poverty, the community and its leaders had begun to sound a number of the themes that were to undergird their development in coming decades:

- To begin with, Tupelo, Lee County and their neighbors had struck out to help themselves, reinforcing George McLean’s conviction that
LOCAL PEOPLE MUST ADDRESS LOCAL PROBLEMS. Nobody else, he liked to tell communities, cares about you. “There is no Santa Claus in Washington, in the state capital, or in the county seat,” McLean advised almost every group he worked with. “If you want a better community, you will have to do the work yourself...If [you] don’t love [your] community enough to become involved, it will not change, because nobody else is going to come in and do the job for [you].”

At the same time, Tupelo didn’t attempt to do everything all by itself: McLean and the town’s leaders also knew WHEN TO ENLIST OTHERS IN THEIR CAUSE. McLean learned about dairying by getting in his car and traveling around the country to talk with people who knew more about agriculture than he or anyone else in Lee County. The RCDCs were modeled on an earlier effort undertaken by communities near Knoxville, and—decades before communities began making a practice of hiring outsider consultants—buttressed by the Doane study. Perhaps most importantly, Tupelo recognized that the benefits of its partnership with the Tennessee Valley Authority—in 1934, it had become the first TVA City—far exceeded mere electrification to include an ongoing working relationship with the federal government and its resources. In this regard, George McLean’s sentiment that, ultimately, Tupelo was responsible for its own destiny turned out to be a help when it approached the federal government. “I always looked forward to assisting Lee County,” former Senator John C. Stennis once said. “You knew that they had exhausted all other avenues before they approached you. You also knew that they had a well-thought-through plan of action, and they were willing to put forth local effort and local funds to assure success.”
Looking beyond Tupelo itself was not just a matter of seeking outside help. Hand in hand with this notion went a rather enlightened redefinition of what constituted the “community.” Rather than think of it as Tupelo alone, townspeople recognized that they would benefit from improving the lives of rural citizens not just in Lee County but in northeast Mississippi as a whole. With the founding of both the Rural Community Development Councils and the Community Development Foundation, they put in place formal structures for cementing the ties between town and country and set out to undo the barriers that had grown between them over the generations. In short, they demonstrated that **the boundaries of a community are not predestined, and can be redefined; the imagination and skill that go into shaping this definition are critical to the success of community development.**

Similarly, the dairying program provided clear evidence that development of the community as a whole rested on **helping the poorest of its citizens to help themselves.** This was to remain a constant goal in Tupelo, although over time it was joined to the notion that **everyone needs to learn how to improve his or her lot**—the corporate manager as much as the farmer or the laborer. Economic development in the region came about because community development—the ability of citizens to identify and work together on issues of common concern, their dedication to educating children and adults, their constant search for ways of providing each other with needed resources and skills—made it possible.
This was not, however, a triumph of altruism. What they learned to do in Tupelo better than perhaps any other community in the country was to **CONVINCE PEOPLE IT WOULD BE IN THEIR OWN INTEREST TO GET INVOLVED**. They did it—and continue to do it—one on one, just as George McLean did with Bill Jones. At the same time, of course, research around the country has shown that while most people are initially drawn to the community-building process through self-interest, many subsequently become dedicated to working for the good of the entire community, and so it has been in Tupelo. Not only have there been consistent examples over the decades of leading Tupelo citizens who have spent much time and energy on community affairs, but **COMMUNITY DEVELOPMENT IN TUPELO HAS BECOME SIMPLY WHAT PEOPLE DO IN THE REGION**. It is part of the culture these days, as much a part of life as high-school basketball and the church choir. The rate of volunteer participation in community life in Tupelo far outstrips other cities around the country; it is the exception that demonstrates what we have lost with the decline of “social capital” (as documented by political scientist Robert Putnam).

This spirit of community did not spring out of empty air. It was nurtured by a set of institutions that began with the CDF and the RCDCs and evolved from there. If it is true that community development in Tupelo began with the discontent and troubles of individual citizens, it is also true that the resolution to their problems lay in collective action—buying dairy bulls to share, forming rural councils, setting up the CDF. And they made that collective action lasting and ongoing by creating institutions to focus it. Jean Monnet, the Frenchman who set out to find ways of linking together European countries after World War II and who is widely considered the father of the European
Community, once said, “**NOTHING IS POSSIBLE WITHOUT INDIVIDUALS; NOTHING IS LASTING WITHOUT INSTITUTIONS.**” Far too often, well-meaning citizens attempt to achieve a specific goal or solve a particular problem only to be frustrated by the lack of vehicles to fulfill their aims. Their failure, though, is hardly surprising if they’ve given little attention to building a social fabric that can help them succeed. Building appropriate community institutions is not optional.

**A Word about Leadership**

Among the many individuals profiled in this narrative, one in particular stands out, and his central place in the Tupelo story needs to be addressed. George McLean was, there is no doubt about it, an extraordinary man, gifted with great insight into how people can be motivated to give the best of themselves, possessed of boundless energy in finding ways to channel their efforts productively. In the early stages of community development there must be a champion to carry the effort forward, someone—or some small group of persons—who is completely dedicated to it. In Tupelo, McLean was that person, and it is doubtful that the community would be where it is today had he not decided to settle there.

Yet McLean himself was also the first to acknowledge the limits of power of even the most prominent citizen. Despite the tendency of many citizens—especially those not among the core leadership in Tupelo—to exaggerate his influence, McLean learned early on that even the best ideas are impotent if they are not connected to, informed, and “owned” by a larger body of participants. His ideas and plans lay untouched and uninfluential until he earned the trust of local leaders and citizens in the county. McLean
GUIDING PRINCIPLES OF THE TUPELO MODEL

1 Local people must address local problems.

2 Each person should be treated as a resource. So the community development process begins with the development of people.

3 The goal of community development is to help people help themselves.

4 Meet the needs of the whole community by starting with its poorest members, not just as targets for top-down efforts but as full partners in helping design those efforts.

5 Community development must help create jobs.

6 Expenditures for community development are an investment—not a subsidy—and will return gains to the investors. So people with money have both the responsibility and an interest in investing in the development of their own community.

7 Community development must be done both locally and regionally if the full benefits are to be achieved.

8 Start with a few tangible goals, and measure your progress in meeting them.

9 Build teams and use a team approach.
and his wife, Anna Keirsey, were Presbyterian, which was a great advantage, since, as in many Southern towns, the Presbyterian Church was a critical link in Tupelo’s leadership network. The Wednesday night Bible study that the McLeans hosted at their house after moving to Tupelo put them in the weekly company of bank presidents and politicians. Though it took a good six years, it was only after many of the town’s leaders came to trust McLean as a person that they paid attention to his ideas.

Over time, then, any number of Tupelo’s more prominent citizens led the process of community-building. There were people like Ikey Savery, who owned the county’s oldest insurance agency and often neglected his own business to work on the industrial committee of the CDF; J.C. Whitehead, who as president of the Bank of Tupelo (now the Bank of Mississippi) reinvigorated the bank’s sense of responsibility for community service; Jack Reed, a department store owner and a member of one of the town’s most prominent families, who routinely gave the majority of his time to community projects; and Amos Reece, who for a good four decades served as the man to whom both white and black citizens turned when the two communities needed an intermediary.

Leadership is a prime ingredient, but community development cannot be achieved without organizations and structure.

Never turn the community development process over to any agency that does not involve the people of the community.

Persistence is essential, and programs must be continually updated.

McLean learned early on that even the best ideas are impotent if they are not connected to, informed, and “owned” by a larger body of participants.
Yet even that was not enough. The problems of any community are too large and too complex to be solved by a small group of people, no matter how great their dedication and commitment. There is no doubt that the early years of Tupelo’s story were shaped by McLean and a handful of prominent community leaders. But meaningful and sustainable community change requires the participation of a large number of citizens. In the end, the story of Tupelo and Lee County came to belong to a broad cross-section of people who, working through the institutions they built—especially the RCDCs—laid bare and embraced the ties between community and economic development and created new models for both.

THE EARLY SUCCESSES OF THE RURAL COMMUNITY DEVELOPMENT COUNCILS

By the 1950s, a traveler coming upon rural Lee County for the first time could be forgiven for thinking he or she had left Mississippi entirely. Instead of finding a few obviously well-off farmsteads set down here and there along a hardscrabble, beaten-down carpet of poverty, the visitor saw whole communities that were tidy and well-groomed. They were surrounded by farms that could have come from the pages of *Progressive Farmer*. This was the emerging legacy, in Lee County and in six other counties around it, of the Rural Community Development Councils (RCDCs).

The councils worked much like New England town meetings: They were the fora for members of the villages that dot northeastern Mississippi to come together and decide upon their priorities. In the communities that had councils, participation was often 100 percent; every family that lived in that community was part of it. Many of
these communities—often little more than a few houses and farmsteads centered around a general store and a church—were all white or all black, but in the integrated hamlets, whites and blacks worked on RCDCs together, a bold and unusual state of affairs in Mississippi during the 1950s. But that participation was crucial; it meant that regional development around Tupelo had early and widespread grassroots involvement.

The first three years, from 1947 through 1949, George McLean, Sam Marshall, and other community leaders chose an overall program for the councils that was designed to have as visible and as immediate an impact as possible; they wanted to build RCDC members’ confidence. So, in 1947, the projects centered on improving the communities’ physical appearance. Residents got together to repair and paint churches and schools, clean up along their roads, and spruce up any other parts of the community that needed it, including individual houses and outbuildings whose owners needed help. The following year, they worked on increasing farm production, including the creation of model farms. In 1949, they devoted themselves to leadership development. From then on, each of the RCDCs met individually to settle on its own annual project.

Despite the overall direction they got at the beginning, the councils were designed to reflect their members’ thinking. George McLean later admitted that when some community elected to spend time and money fixing up, say, its cemeteries, he might entertain some doubts about its wisdom. “What you people need is jobs,” he’d find himself thinking. But McLean, Sam Marshall, and other Tupelo leaders were careful to keep such thoughts to themselves. “What do you want to do? What do you feel passionate about?” McLean would ask the people with whom he met. “Painting the school? Cleaning up garbage? Fixing up a recreational center? Fixing up daycare centers?” The funding—which came from banks and merchants in Tupelo, McLean himself, the Tennessee Valley Authority, and, eventu-
ally, from the CDF—went to whatever projects that communities decided it should go to.

But the RCDCs were not just about community improvement. An initial concern was to solve personal and family problems, since the roots of effective community development are often embedded in an individual’s ability to remove the obstacles to his or her own progress. By working together, communities established the inextricable link between individual effort and the betterment of the community as a whole.

Helping Others by Helping Yourself

They tested and strengthened this link through a regional competition. Northeast Mississippi is basketball country, and townspeople still take great pleasure in the heartfelt rivalries that pit one town against the next. The RCDCs just carried that notion over to community development. Every year, communities competed for the award as the outstanding community in the area; the winner got recognition at the North Mississippi Fair and Dairy Show and, more importantly, a large cash award (about $25,000 in 1996 dollars) kicked in by Tupelo’s merchants, to spend on some community project.

Community scores were determined by both individual development and their achievements in community development. Each family had a scorecard, and individual improvements accounted for half the community’s points. Families could earn points for everything from improving their agricultural techniques to bettering their family health practices to supporting their children’s studies. Having one’s children inoculated against disease earned points, so did perfect school attendance, so did buying new farm equipment or adopting new farming practices. Moreover, not only did every home or farm improvement add points to the community score, but
these scores were multiplied if 100 percent of the community’s citizens participated. There was incentive to improve one’s own conditions and plenty of motivation for persuading one’s neighbors to become involved as well.

Because George McLean insisted that individual townspeople and farmers keep meticulous records—how much milk, eggs or butter they were producing, how many days their children went to school, how often

**INSIGHTS**

- The RCDCs’ structure was quite simple. Each had a president, vice-president, secretary, and treasurer, and operated through public meetings at which citizens decided what they would work on. What was crucial was not so much how they were structured, as that they had a structure. This did two things: It gave each RCDC a life beyond the individuals who made it up; and it provided townspeople who otherwise might never have had the chance, to become leaders. **IN OTHER WORDS, EVEN IN THE SMALLEST HAMLET, INSTITUTIONS MATTER.**

- So do ties beyond the town’s border. Each RCDC was not only part of a larger whole that included rural communities throughout Lee County and surrounding counties, it also was connected to one of the various civic clubs in Tupelo that acted as a sponsor. In this way, each RCDC could benefit from the skills and knowledge of outsiders, broadening its members’ understanding of their ties to Tupelo and other communities, as well as their insight into how to improve their own lives. **NO COMMUNITY IS AN ISLAND; A THOUGHTFULLY STRUCTURED SET OF RELATIONSHIPS WITH ITS NEIGHBORS SERVES BOTH ITS OWN INTERESTS AND THEIRS.**
they painted their houses, whether they installed indoor plumbing—they were able to chart their progress over the years. And, throughout the seven counties covered by the RCDCs, progress there was.

In simple dollar terms, the effectiveness of community development efforts could be seen in the pocketbooks of the farmers and in the cash registers of local merchants. Lee County wages rose from $7.8 million to $70.5 million between 1950 and 1968. Retail sales grew from $26.5 million in 1950 to almost $129 million in 1968. Bank deposits increased from $21 million to $121 million during the same period.

There was progress of a less tangible nature as well. To begin with, in each rural community the RCDCs nurtured community leaders who came to be widely trusted because they threw themselves into the community development process. They were mostly farming people—or, later, rural folk who farmed part-time and worked in factories part-time. They were, it’s fair to say, the glue that held the community development process together, the region’s foot soldiers. They were not prominent people, they did not live in grand houses, but Tupelo’s achievements rest every bit as squarely on their shoulders as on the town’s civic leaders’.

Just as important, the RCDCs gave organizations in town a way of creating a bond between Tupelo and its rural environs. Each civic club in town sponsored at least one RCDC.
Journal, covering all aspects of rural life and raining praise on local efforts
to build community strength. Even today, looking back over newspaper
clippings from those early days, one finds a palpable sense of excitement
in McLean’s stories about churches being refurbished, schools getting
touched up, or entire communities turning out to help a sick farmer get
his crop in.

**Industrial Development Comes to Lee County**

Even with the successes the RCDCs began showing after their inaugura-
tion in 1946, it was clear that there was a limit to how far they could go in
improving the lives of the region’s residents. The tide of mechanized
agriculture was driving thousands of tenant farmers throughout Lee
County—as well as the rest of the South—off the land. The effects in Lee
County were somewhat muted by the success of the RCDCs in stabilizing
rural communities, but there was no question that a massive and lasting
transformation was occurring. The RCDCs could not hope to offset the
loss of farm jobs with new employment; in fact, McLean and Tupelo’s
leaders recognized that only manufacturing could provide jobs to the
people leaving agriculture. In the early 1940s, however, most of the rela-
tive handful of manufacturing jobs in Lee County were
concentrated in the needlecraft industry and held by
women. Finding ways of employing the men who were
leaving farm work would be vital to the region’s future.

Lee County’s successful transition to industrialism
was hardly preordained. There were plenty of places in
the rural South where the lure of urban industrialization
and the reduced need for labor created by the mecha-
nization of agriculture left behind only poverty, aban-
doned farmsteads, and desolated market towns; no local
industrial economy rose to employ the people displaced
from agriculture. Without a doubt, one of the reasons Lee

McLean and
Tupelo’s leaders recognized
that only manufacturing could
provide jobs to the people
leaving agriculture.
County stood apart lay in its decision to choose a course of industrialization that differed dramatically from that of other towns.

The generally accepted model for development in the South had been established in the 1930s in Columbia, Mississippi by Hugh White, a lumber company owner who had been instrumental in raising the subsidies necessary to lure a garment factory to town; it was quickly followed by more textile mills. Most Mississippi communities took little notice of the low wages paid by Columbia’s garment factories; they paid attention instead to the town’s growing payrolls and rising retail sales. So, after White was elected governor in 1935, his notion of using the “Columbia Method” to drive the country’s first real industrial recruitment initiative, Balance Agriculture With Industry (BAWI), met with broad approval. In Mississippi and elsewhere in the South, it became accepted practice to use tax exemptions and other subsidies, along with the lure of cheap and abundant labor, to attract new employers.

George McLean, on the other hand, was no particular fan of this approach. When, in 1937, garment workers across Mississippi struck for better wages and working conditions, McLean made it clear on whose side he came down. Businessmen in Mississippi, he editorialized, had lured “starvation-wage outfits” to the state under the guise of progress; they had then blocked improved conditions in the name of states’ rights. When workers in Tupelo’s lone factory struck that year, most of the town’s business people laid the blame at McLean’s door.

So it was mildly ironic that shortly after the Second World War, when Tupelo set out to bring the first outside business to town in two decades, McLean worked with other town leaders to issue bonds under the BAWI plan. Daybrite, a St. Louis corporation that made fluorescent light fix-
tures, arrived in Tupelo the following year and provided jobs for two hundred people.

That was, however, the last time that the community opted for the BAWI approach to economic development. From then on, with the leadership of the Community Development Foundation, it consciously pursued a course that emphasized the mutual responsibilities that employers, workers, and the community as a whole must share. Development based on cheap labor and subsidies came to be considered no development at all.

**Development Values**

The story of Lee County’s community development efforts at this point begins to diverge onto several parallel tracks. Industrial development, which began slowly in the late 1940s, took off during the mid-1950s and gathered speed with each succeeding year. The CDF’s sophistication as an economic developer grew alongside the economy itself, eventually including not only innovative strategies for attracting and retaining businesses but for making the citizens of Lee County and its environs a key part of the area’s appeal to employers. This approach, in turn, bred a welter of community-oriented institutions and an explicit focus on improving education at every level as one of the hallmarks of community development in Tupelo. In other words, industrial development, economic development and community development all went hand-in-hand.

Weaving these endeavors together was not just a matter of conscious strategy; it was also the inevitable result of hewing to a set of values that recognized the explicit link between a good community and a good economy. From the late 1940s on, these values underpinned the work both of the CDF and of the community as a whole:
A BELIEF THAT ECONOMIC DEVELOPMENT IS AN ADJUNCT TO COMMUNITY DEVELOPMENT AND NOT SIMPLY AN END IN ITSELF.

In the early years of industrialization, the community’s leaders knew that unskilled farm workers placed in industrial jobs would likely earn only minimum wages, leaving them and their community poor. Their objective was to enrich the common man, not simply make the transition from a poor farming county to a poor industrial county.

A CONVINCION THAT WHATEVER THE ENDEAVOR—attracting new employers, improving the public school system, creating new organizations to carry on community development efforts—THE ENERGY DRIVING IT NEEDS TO COME FROM A BROAD RANGE OF CITIZENS. “Some businessmen are like some farmers,” McLean liked to say. “Have you ever seen a farmer on a cold winter day trying to milk a scrub cow? He pulls and strains trying to get a teacup of milk. He hasn’t put very much in the front end, and he doesn’t get very much out of the back end. We are convinced that both businessmen and farmers have got to put their time, their talents, their money, and their enthusiasm into their community effort if they hope to get something out of it.”

A BELIEF THAT THE CLIMATE IN WHICH BUSINESS AND LABOR INTERACT MUST BE BENEFICIAL TO BOTH—that workers have a responsibility to help their employers remain profitable, while management has a responsibility to treat labor fairly. The county’s labor force was one of its chief assets, McLean insisted, and it couldn’t be squandered. “Mississippi needs industry, but it needs the highest type industry, not the lowest type,” he warned in one speech. “We do not want to be the dumping ground for labor exploiters. That type of industry will harm our people and our existing industrialists. Frankly, we do not want a manufacturer unless he has a record of fair play with his employees and is interested in paying as good wages as pos-
sible. Selling her people short is the poorest practice ever engaged in by the South.”

**A DEEPLY HELD NOTION THAT DEVELOPMENT HAS TO BE A TWO-WAY STREET.** Not only could businesses brought to the area not exploit their workers, but they were expected to become good citizens by furthering the community development process. In exchange, the CDF and the community would do whatever was needed to help them remain profitable and healthy.

### Lee County Industries

Tupelo’s decision to shun the BAWI approach, though it may have seemed risky at the time, nonetheless served the community well. Nineteen forty-eight saw the single most important industrial development in the area’s history—the successful wooing of furniture manufacturer Morris Futorian. Impressed by the cohesiveness shown by a delegation of Tupelo leaders who traveled to Chicago to meet with him, Futorian that year put a plant in neighboring Union County. In 1951, Tupelo notched a third win on its belt with the attraction of Rockwell, a manufacturer of power tools. And they, in turn, were followed in 1955 by Super Sagless, which kicked off Tupelo’s furniture parts industry.

Over the years since then, the region’s industrial strength has waxed far more than it has waned. During the 1950s, Lee County’s earnings from manufacturing jobs climbed from $3.9 million to $13.4 million; the number of manufacturing jobs more than doubled, from 2,153 in 1950 to 4,787 in 1960. The opening of a new Penn Tire—later Cooper Tire—plant in 1959 boosted manufacturing employment even further; indeed, only in the early 1960s and again during the oil embargo of the

**By the early 1990s, Lee County was the most heavily industrialized county in Mississippi, and only two of its approximately 50 recruited companies had been attracted through BAWI.**
1970s did the local manufacturing workforce shrink. By the early 1990s, Lee County was the most heavily industrialized county in Mississippi, and only two of its approximately 50 recruited companies had been attracted through BAWI.

No picture of the area’s economic development would be complete without a brief mention of the furniture industry. That first factory put in place by Morris Futorian turned out to be a vibrant seed; pretty much the entire furniture industry in North Mississippi is, to all intents and purposes, descended from it. What furniture-making brought to the region was not just employment but a set of entrepreneurial opportunities that have proven crucial to the area’s development. In 1970, for instance, two entrepreneurs who had been working for Futorian broke away to form their own firm, Action Industries. Over the past quarter century it has grown to become the largest single manufacturing employer in the county. Even more importantly, its success encouraged a raft of other entrepreneurs to leave Futorian and start their own companies, sometimes launched in barns or garages. Of the roughly 200 furniture factories around Tupelo, over 80 percent can trace a direct line of descent from Futorian.

Furniture-making has been an economic boon to hamlets throughout the area that would have been unable to attract outside capital. The industry demands limited initial capital, and its basic skills can be learned quickly. Raw materials and supplies are readily available. For the committed and ambitious entrepreneur, a business that begins by hauling a few finished products to furniture stores in the back of a pickup truck eventually can grow into a multi-million-dollar concern.

As crucial as furniture has been to the area’s development, though, Tupelo also has managed to build a remarkably broad industrial base. Of
the 19 manufacturing classifications—from food products and chemicals to glass, transportation machinery, and the like—the area has firms engaged in 18 of them. Only tobacco products are not represented.

**Two Key Economic Development Strategies**

Behind this success has been the ability of Lee County’s leaders to view economic and community development strategies as two sides of the same coin. To understand what this meant in practical terms, it might be helpful to think in terms of “economic” and “community” strategies. The first consisted—and still consists—of the approaches taken by the Community Development Foundation and community leaders to attract and retain businesses that can contribute to the community’s overall health and growth. The second consisted of what they did to make Tupelo, Lee County, and their environs good places to live and work. Put simply, they understood that they were responsible for improving the profitability of investors—outsiders as well as locals—in a way that would also enhance the area’s quality of life, and that enhancing the area’s quality of life for all its residents would, in turn, attract the kinds of employers they wanted.

**Attraction and Retention Strategies**

In one sense, then, the CDF set out to act like a traditional, albeit unusually innovative, economic development organization. In the 1950s, with George McLean driving the initiative, it created a set of business incubators in warehouses near the train tracks and the *Journal*. The project, called “Community Enterprises, still exists today. The CDF also developed nine industrial parks in Lee and surrounding counties, each tailored to meet industrial specifications for water, sewerage, and utilities. If companies looking to locate there had any special needs, the CDF could use
community development block grants or other funding sources to meet their requirements. Lee County and the CDF also decided early on that they needed constantly to work to improve transportation and freight services in the area.

Moreover, the CDF over time became highly proficient at addressing the technical questions of its clients. Though most of this information was prepared well in advance, the CDF developed the capacity to produce answers to almost any question in less than an hour—including detailed information about Lee County and its demographics; a labor profile; wage information; tax rates and information on tax abatements; transportation services; accessibility to markets; existing manufacturers; data on waste disposal; and site information, including acreage, land contours, highway and rail access, public services, readiness status, and price. The coordinating association would not usually discuss “quality of life issues” until the matter of profitability was settled, or unless the client asked for the information.

Today, once a business has located in the Lee County area, the foundation can provide a smorgasbord of services. It can assist with loans and loan guarantees. It is useful in cutting through red tape. And, perhaps most important, the CDF takes the lead in assisting existing firms to improve their efficiency. From its inception the organization has been dedicated to spending as much time helping existing industries as recruiting new ones. This willingness to work as hard after the company arrives as during the courting period has been critical to the region’s industrial growth. The local branch of the University of Mississippi, for instance, gives managers in local firms the opportunity to improve their skills through graduate training or specially designed courses. The CDF also established the Northeast Mississippi Economic Symposium as a vehicle to bring current economic issues before local businessmen. It
often has responded to the requests of specific industries or businesses by working with the community college or school system to find ways of upgrading labor skills. And it helps businesses cooperate in sharing knowledge, vital machinery, and even skilled labor.

The organization also promotes locally developed businesses, and goes to some lengths to ensure their success. After learning about a successful program involving an “Entrepreneurs’ Forum and Inventors’ Fair” in the New York-New Jersey area, the CDF hired the program’s director, Frank Hull of Fordham University, to establish a similar effort in Northeast Mississippi. The program brings together entrepreneurs and inventors with investors and marketing experts, and though it is too early to evaluate the results, this willingness to borrow and innovate remains a hallmark of the CDF’s approach.

Quality of Place Strategies

Right from the start, though, there was also a quality that set the CDF apart from other economic development organizations—its recognition that, through its economic development activities, it could lead and inspire citizens to shape the community in a way that would both help themselves and increase the profitability of area employers. It strove to maintain a balance in which the interests of the region, its people, and its businesses could be kept in harmony.

To begin with, it decided that employers were to be scattered throughout the county, not centered in Tupelo itself. When the time came at the beginning of the 1960s to build the first industrial park, it was placed seven miles south of town. This was simply an extension of the notion that underpinned the deployment of the RCDCs, that the future of both Tupelo and its neighboring rural countryside would rest on continuing to develop mutually beneficial structural ties.
Tupelo’s leaders also decided to target smaller companies and industries for recruitment, on the theory that no one industry or firm should be able to dominate the community. They tried to diversify the products produced in the area as a hedge against recession. Both of these approaches made good economic sense, of course, but they also made good political sense. The county was divided into five wards, and each ward or district got its share of industries. This assured the involvement of all the county supervisors who represented each of the five wards. This approach also ensured that the power to guide and shape community affairs rested with the CDF, not with any particular employer or set of employers.

Probably the single most important strategic concern, though, was for the health and quality of the area’s labor pool. While the industrial growth of the 1950s was good for Tupelo’s economy—bank deposits more than doubled over the decade, and retail sales came close to doubling—by the late 1950s it was obvious that many industries were moving to the Lee County area and to the South in general to take advantage of a large pool of unorganized, unskilled labor. Many of the area’s laborers had grown up in an agrarian Mississippi that didn’t give much weight to school work. A good portion of them were illiterate, and even those who could read rarely had the skills needed in manufacturing. Labor so underskilled was virtually certain to receive no more than minimum wages, which meant that both workers’ incomes and the local trade they generated had little chance of growing. At the same time, though, Tupelo’s leaders—the pro-labor McLean among them—feared that labor unions would frighten away employers. Given that constraint, how might they nurture the area’s growth while at the same time spreading the rewards throughout the region?

In a concerted effort, the community set out in the years after 1959 to establish a means of assuring a good business and labor climate. It
began with the creation of the Community Relations Agency, which oper-
erated to protect labor without the necessity of a union. The agency held
meetings with management to assist with any labor problems. It also in-
vestigated complaints from workers and, if they were found to be valid,
pressured companies to correct the problems. The pro-labor Tupelo
Daily Journal acted as a sort of backstop; when a company simply would
not respond to quiet pressure, publicity in the newspaper could be
counted on to dry up its pool of available labor.

The Importance of Education

As early as the 1950s, though, it became apparent to Tupelo’s leaders that any strategy aimed at improving the
chances of the area’s workers to find well-paying, mean-
ingful work ultimately would depend on the quality of edu-
cational opportunity offered them. If they wanted to
make sure that the region’s workforce was the sort that
could attract higher-quality employers, it had to be well-
educated.

During the 1950s the CDF and the Journal estab-
lished a privately funded vocational development center,
but by the end of the decade it had become clear that the
program did not have the capacity to serve the commu-
nity’s needs. So in the early 1960s, the CDF set about
building a community college, the expense of which was born almost en-
tirely locally. Over the course of the next 30 years, this branch of
Itawamba Community College became a center for basic and advanced
industrial skills as well as a key ingredient in the region’s ability both to
offer employers a skilled workforce and to secure for residents the
chance to find meaningful work. The college quickly reached the point
where it was providing 10,000 students a year training in basic literacy
and vocational skills.
It was during the 1970s, however, that the biggest strides were made toward crafting a first-rate educational system, from kindergarten on up. The county’s economic successes during the 1960s had put money in the pockets of citizens and taxes into the coffers of local government. So in 1970, when the CDF set out to decide what its focus ought to be for the next decade, the question was not whether there were resources available to invest in the community, it was simply where they ought to be invested. Since that year also marked Tupelo’s centennial, the CDF’s executive board was interested in thinking about how to secure the area’s prosperity for its “second hundred years.” Education, its members decided, would be the key.

As with other community-wide endeavors, both large and small, building up the area’s schools became a communal endeavor. The CDF, the newspaper, school administrators, and private individuals all played a role.

In response to the CDF’s focus on education, the *Journal* published editorial after editorial on the need to strengthen public education. This, in turn, helped build the public support necessary for a key set of early initiatives. The first was the county’s passage in 1971 of a bond issue to build a new vocational education building that would serve the local public school systems. The following year, George McLean established a community foundation, known as CREATE (Christian, Research, Education, Action, Technical Enterprise), to give community members a chance to take advantage of the tax laws by contributing to a local foundation that would steer their funds into education. And, throughout the first half of the decade, local leaders pushed the notion that future economic growth would center around universities and therefore Tupelo had to have its own. They convinced the state legislature to allow the community to open a branch of the University of Mississippi, which it did in 1974.
The progress that Tupelo and Lee County made toward improving local educational opportunities did not, of course, happen all at once. Indeed, what may be most striking is how each step forward built momentum for further initiatives and broadened the base of public support for moving ahead.

In the mid-1970s, for instance, attention began turning to the area’s elementary schools after George and Anna McLean, concerned that the community’s education initiatives still were not reaching its poorest residents, called for more investment in Lee County schools, whose budgets were lagging behind the public schools in Tupelo itself. Working with the school of education at Mississippi State University, they developed a program designed to place a reading aide in each Lee County classroom for grades one through three. They backed it up with $150,000 a year for 10 years. At the beginning of the effort, in 1976, Lee County students ranked in the 23rd percentile for reading nationally. Within five years they had...
moved up to the 68th percentile, and by the mid-1980s were ranked near the 90th percentile.

Over the years that followed, other citizens looked at the system’s deficiencies and set about meeting them. In 1980, the CDF—with help from the Tennessee Valley Authority, the state’s department of education, and Mississippi State University—launched a vocational development program called the “National Model for Technical Career Development.” It was an attempt explicitly to tie the public schools to the area’s vocational needs, allowing high school students to begin preparation for a skilled job and to continue the training through the community college.

Not long after that, a local bank president, Lewis Whitfield, called a public meeting at the county library to propose more private support for the public schools. CREATE, the foundation set up by George McLean with an eye on education, had over the years become more of a generic community foundation, and Whitfield saw the need for one focused solely on public education.

The result was the Association for Excellence in Education, which not only managed to attract money from 400 families in the area, but began working to promote general public support for the schools. It now gives about $150,000 a year to the public schools. Whitfield’s initiative was followed quickly by another local businessman’s decision to initiate a companion program through which public tax money could be spent to reduce the student-teacher ratio. More recently, a third local businessman, L.D. Hancock, gave the schools more than $3.5 million in money-generating rental property to fund an “Educational Learning Center” to improve teachers’ skills and help them develop new approaches to their work.
In short, investment in education early on became one of the central components of economic development in Tupelo and Lee County, and the passing years have only reinforced that commitment. From the 1950s on, the CDF’s leaders have championed education as a means of raising the quality of the labor force and thereby making the area more attractive to business.

At the same time, spurred by the CDF’s attention and the willingness of local leaders to put their own money into education, Tupelo and Lee County have developed a firm belief in the value of investing both public and private wealth generated by economic development in improved educational opportunity to boost area residents’ chances of attaining a high quality of life. Education, in other words, has become key both to economic and to community development.

**The Nature of the Community Development Foundation**

Throughout the five decades since the Second World War, the engine driving Tupelo’s twinned approach to development—integrating economic and community development—has been the Community Development Foundation, and it is worth taking a moment to look in some depth at this unique body. As with any organization, the CDF has evolved over time, but it has held throughout to some basic principles that have shaped its approach.

Oddly enough, it may be an early failure that best explains why the CDF works as it does. Not long after the organization’s founding in 1948, several of its leaders set about trying to promote agricultural diversification. After studying innovative programs throughout the South, they developed a variety of plans to boost farmers’ incomes by introducing

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**Investment in education early on became one of the central components of economic development in Tupelo and Lee County, and the passing years have only reinforced that commitment.**

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**HAND IN HAND: COMMUNITY AND ECONOMIC DEVELOPMENT IN TUPELO**
such crops as strawberries, blackberries, and sweet potatoes. Local business owners kicked in about $30,000 to create a marketing association, and the effort was off and running.

It didn’t get very far. In putting the program together, the business owners had forgotten to involve the farmers themselves in shaping it. Few farmers, it turned out, had any interest in shifting over to truck farming. The CDF members who had in the effort lost most of their money, but came out of the episode considerably wiser. They never developed another plan for the community without making sure they had grassroots participation from the very beginning.

They learned another lesson as well: Even the best of plans cannot succeed unless the people it will affect have the ability as well as the desire to make it work. The failure of the marketing association emblazoned in leaders’ minds the notion that the community could only be as successful as its people.

**A COMMUNITY INSTITUTION**

As the CDF pursued industrial and community development from that time forward, these twin realizations—that the organization needed both to be broadly representative of the community and focused on serving the community as a whole—underlay much of what it accomplished. Perhaps the single most important characteristic of the CDF, for instance, has been its all-encompassing nature. The organization pulls together men and women, whites and blacks, key people from all walks of life: bankers, the superintendent of schools, the hospital director, retailers, factory managers, attorneys, journalists, physicians, accountants, farmers, restaurant owners, teachers—virtually anyone who considers that he or she has a stake in the area’s future.
This inclusivity has worked to Lee County’s benefit in any number of ways. For example, Tupelo’s three banks and a locally owned savings and loan company have been essential in the community development process. Not only have they offered strong financial support, their presidents and officers have been key participants in almost every community development project during the last half-century. The presidents of all four financial institutions regularly commit 10 to 20 hours a week on community development issues through the CDF. When these financial directors combine with other key business leaders and elected officials at a typical monthly CDF board meeting, they represent most of the county’s most influential organizations.

Such unflagging support from the banks, the newspaper, business people, and public figures has meant that the CDF has been the primary driving force in the county for almost a half century. Moreover, this strong leadership base has meant that when the community has set its mind on accomplishing something, the players who are needed to make it happen are right on hand.

In 1951, for instance, at the start of its industrial development efforts, the community was able to attract Rockwell, the maker of Delta power tools, by handling all the details itself—from land provision to financing and training. And it has been true of community development initiatives as well, as the various privately funded education ventures prompted by the CDF’s attention to education suggest. The CDF has cultivated the networks to address virtually any business or community need.

Just as crucially, the web of organizations nurtured by the CDF that structure and facilitate community life in Lee County—especially the RCDCs—early on gave ordinary citizens a channel for affecting the course of events. Even today, a majority of Lee County’s residents live...
outside Tupelo’s bounds, and the personal and leadership development that has taken place through the RCDCs has been critical to Tupelo’s economic success. Simply put, many of the area’s workers don’t think of themselves as simple cogs in an industrial machine; they have learned, over the years, to think of themselves as contributing citizens—and particularly active ones at that. There are now several generations of ordinary, lunchbucket Lee County residents who, regardless of their economic status, have been leaders in their own communities.

**The Importance of Partnerships**

Yet for all its dedication to the notion that the citizens of Tupelo, Lee County, and their environs were responsible for their own destinies, the CDF also recognized from the beginning that neither it nor the community as a whole held all the answers. Tupelo’s leaders understood early on the benefits that cooperation with the federal government could bring. So while Lee County from the 1940s onward drew the majority of its funds for the development of human infrastructure from local sources, it depended for the development of its physical infrastructure on the Tennessee Valley Authority and the Appalachian Regional Commission. The TVA has committed both money and technical assistance for basic infrastructure, while the ARC’s contributions over the years have gone mostly for industrial infrastructure.

Similarly, at the local level the CDF derived much strength from its ability to coordinate the public and private sectors. A representative from the office of the mayor and the president of the county’s board of supervisors have always been guaranteed positions on the executive board of directors. The county and city now invest large sums of money in the CDF’s annual budget and have been staunch supporters of the organiza-
For much of its early history, the CDF employed only a skeleton staff; almost all the work was done by volunteers. They took an enterprisingly broad approach to their task of community development, concerning themselves with everything from industrial and agricultural development to transportation, housing, recreation, education, and religious life. By the early 1950s, the CDF had committees working on 17 different facets of life in Lee County. **PROFESSIONALS ARE NO SUBSTITUTE FOR COMMUNITY MEMBERS IN THE PURSUIT OF COMMUNITY DEVELOPMENT.**

The analysis that the CDF’s outside consultants undertake at the beginning of each decade serves to set the organization’s agenda not just over the long term, but for each year as well. The organization’s priorities for 1994-95, for instance, were drawn from a 1989 report, and provide a nice example of what the organization strives to accomplish: Create 1,000 new manufacturing and 1,500 service jobs; continue to encourage the development of a world-class skill and technology training center; support excellence in public education and enhanced university ties; promote moderately priced housing; support the implementation of a major regional thoroughfare and corridor plan; support a major countywide program to improve community appearance. **SPECIFIC, MEASURABLE GOALS—AND PERSISTENCE IN MEASURING PROGRESS TOWARD MEETING THEM—ARE CRUCIAL TO ECONOMIC AND COMMUNITY DEVELOPMENT.**

This has meant that, for the most part, public policies and resources work in concert with community interests, as expressed through the CDF; local government creates an environment in which private and
community-based initiatives can flourish. For its part, the public sector enjoys the tangible benefit of tax dollars that flow into its coffers.

Part of the payoff of having grassroots involvement is evidenced in the private/public partnership. Because locals have been an integral part of the area’s overall development, they have been willing to support taxes, which they know will be spent on projects that benefit the community. Their understanding and support make it safe for political figures to invest tax dollars in community projects; there is an expectation that tax monies will not be wasted. This trust is the end product of decades of citizen involvement and the daily evidence of a continually improving economy.

Institutionalizing change

The community-oriented culture nurtured by the CDF, which will get a fuller examination below, would have had far less force—indeed, it would probably not have become so much a fabric of life in the area—were it not for Tupelo’s ability, working through the CDF, to give institutional form to change. It does so in several ways.

To begin with, since its early days the CDF has spun off new service associations that complement its work. In the 1940s and 1950s, these included the dairying and marketing associations, most of which have long since served their roles and folded, and such organizations as the North Mississippi Development Association, centered in West Point, which oversees regional development efforts. Since then, the CDF—often working with the Daily Journal—has formed CREATE, which has become the local community foundation; the Northeast Mississippi Economic Symposium, formed to expose local business leaders to cutting-edge ideas in economics; the anti-poverty agency LIFT, Inc.; the Lee County
Council of Governments; the Tupelo branches of Itawamba Community College and the University of Mississippi; and a raft of other ventures. Community development can be sustained over the years because these structures exist to give it shape and direction.

At the same time, the CDF and its members have given considerable time and energy to making the purposeful anticipation of change an ongoing part of what they do. The CDF, for instance, sponsors monthly breakfast meetings at which all plant managers meet to discuss relevant issues and needs. Not only does this give the organization a way to monitor and improve employer/employee relations, it also provides a forum for recognizing and responding quickly to current or emerging issues within the business community.

**INSIGHTS**

- The list of organizations started by the CDF and, often, the *Daily Journal*, is a long and remarkably varied one. It includes the Community Relations Agency; LIFT, Inc.; the Tupelo branches of the community college and the University of Mississippi; the Lee County Council of Governments, to coordinate activities among the county’s municipalities; the literacy program PALS; the National Model for Technical Career Development; the Entrepreneurs’ Forum; the Inventors’ Forum, which unites inventors with venture capitalists; the Natchez Trace Parkway Association, to promote the completion and use of the Natchez Trace Parkway; HOPE, an organization to promote four-lane highways in Mississippi; the Northeast Mississippi Economic Symposium; Leadership Lee, to boost leadership development among coming generations of citizens; and the Big Ten, an agricultural promotion program in 10 surrounding counties.
Each decade, the CDF brings in consultants to evaluate Lee County’s progress, compare it to other communities, and talk about the economic development issues with which they expect the county will have to grapple.

The Community Development Foundation also devotes itself every 10 years to looking ahead. Each decade, it brings in consultants from outside who are asked to evaluate Lee County’s progress, compare it to other communities both in this country and elsewhere, and talk about the economic development issues with which they expect the county will have to grapple. The CDF executive committee then sets long-term objectives for the community—create 2,500 jobs a year, for instance, or improve community appearance—which then are addressed by annual goals.

Harry Martin, the president of the Community Development Foundation, insists that a primary reason for the success of his organization is its focus on these projects. The CDF selects a limited number of basic ideas suggested by the outside consultants. The community organization then structures very specific projects around those ideas and focuses tightly on their completion. The projects are attempted in a meaningful sequence, so that only a few are begun each year and all can be completed within five to 10 years. The CDF does not engage in open-ended “programs.”

Community Culture

There is one other key to the Community Development Foundation’s success: Members work in the role of community leaders, not as private citizens motivated by corporate self-interest.

Over the years, in other words, the CDF has established a sort of organizational ethos that holds that its members’ betterment will come through improving the community as a whole, not through advancing their own individual self-interest. Bankers, for example, all agree that at CDF meetings they must set aside their own bank’s interests, even
though, once they leave, they may compete aggressively with fellow banks for business.

New members of the CDF who go to a meeting determined to protect their own selfish interests invariably find themselves taken aside. “We don’t work on our own self-interest here,” they’ll be told. “Here we’re a community.” This cultural folkway is only rarely broken, and when it is, the offender risks losing his or her position of leadership within the community unless it is repaired. Only by acting in the best interest of the community can an individual retain trust and thereby retain a position of leadership. Trust holds this system together.

One of the things that sets Tupelo and Lee County apart is that this “culture of community” has taken root not only throughout the CDF, but throughout Lee County. Every sector of Lee County society, from laborers living in rural villages to executives in Tupelo’s swankiest neighborhoods, has been involved in community development for so long that most newcomers who arrive to take up prominent positions discover that it is almost impossible to be accepted socially unless they, too, become active in the community development process. Executives who might elsewhere become rabid about golf instead find themselves becoming rabid about community development.

To some extent, there’s no choice but to develop this taste. Life in Tupelo is a two-way street, at least for its businesses. If a company benefits from the Tupelo model—from a well-educated workforce and a well-organized community—it has to give back. There is great pressure in Tupelo to get involved in community matters, and even hard-nosed, conservative business people who initially want nothing to do with something as “soft” as community development eventually come around. For
most, it’s because they’ve discovered that it is good business to get involved—improving the schools or vocational-technical programs or the quality of daycare can only help them in the long run. And in the case of those few plant managers who don’t get involved, their head office generally hears about it, usually from a volunteer from the Community Development Foundation; indeed, while George McLean was alive, he would sometimes make such a call himself. In a few extreme cases, employers who run counter to the norms of community involvement or who exploit their workers in some fashion eventually come under pressure to leave town.

The newspaper, now the Northeast Mississippi Daily Journal, is essential in this process, as it has been to the entire course of community and economic development in the region. It is a vigilant watchdog that insists that the trust of the community not be abused or violated.

But its role is even more central than that. Its primary focus is on the region and its development. Almost daily it places community development issues before the public. It is unrelenting in keeping these problems and opportunities on the front page and throughout the newspaper. And it has a receptive audience: Lee County not only routinely generates unusually high levels of voter turnout, but high levels of support for community improvements that involve tax increases, such as a 96 percent vote—among those who turned out—in 1992 to generate taxes for a new water system, and a similar 89 percent vote in favor of the largest school bond issue in the history of Mississippi.

Black-White Relations

To understand this consensus that the good of the community overrides other considerations, it might help to see how it operated at one particu-
larly difficult juncture in Tupelo’s history. The racial unrest of the 1960s posed a stern test of the community’s cohesion. In the face of deep and often violent emotions, community leaders reminded one another and the community that the county’s progress had been possible only through cooperative efforts, and that the county had to continue to build consensus for the good of all. It was this willingness to find common ground that helped Tupelo survive intact even as the rest of Mississippi and the South became bitterly divided by the civil rights era.

Tupelo is not, of course, perfect in this regard. Most African-Americans in Tupelo have always lived in a small residential area that lies out of sight, and often out of mind, of much of the white community. As in most towns and cities in the United States, while the community prides itself on treating everyone fairly, in fact the white population has not been fully sensitive to the barriers faced by blacks or to the role that whites have played, however unwittingly, in putting those barriers in place.

On the other hand, Tupelo also had, in the Journal, an unbending voice for racial moderation, something only a handful of other southern communities shared during the years in which the civil rights movement quickened. Indeed, during the 1950s, a competitor, the Lee County Tribune, went after subscribers and advertisers explicitly touting its segregationist credentials. Yet, while this racebaiting formula was standard in many prosperous newspapers across Mississippi, it failed to undermine the Journal’s support—testimony both to the newspaper’s credibility on community issues and to its readers’ rejection of racial confrontation. As early as 1961, Tupelo’s recreation department began refusing to allow any of the sports teams it sponsored to compete against communities that maintained segregationist policies—which meant, basically, that Tupelo teams had no one to compete against other than themselves.
Still, as the 1960s began, family income among blacks was only half that of whites, and Tupelo’s institutions—including the Community Development Foundation—still counted many confirmed segregationists among their members. What forced them to begin to change their thinking was the course of events elsewhere—the trauma that attended the desegregation of Little Rock High School, the sheer ugliness of the racial hatred unveiled by the desegregation at the University of Mississippi in nearby Oxford, and the sense that similar racial confrontation at home could undermine everything that the CDF and the community’s leaders had worked for over the previous decade.

“I grew up in Mississippi,” says one local businessman (who requested anonymity), “and I accepted its values and principles of race relations. I thought the changes of the ‘50s and ‘60s would be detrimental to both races. But we had all seen what had happened in Little Rock, and we knew that we couldn’t afford that kind of disaster in our own town.”

Because of the Journal’s progressive history on race relations and his own ties to RCDCs in rural black communities, George McLean had considerable standing within Lee County’s black community. Similarly, Amos Reece, the son of a white father and black mother who had been reared within a white household, had a good number of close friendships among white power figures in Tupelo and moved easily between the two communities. Reece and McLean were themselves good friends, and together they established a set of biracial committees designed to keep channels of communication open as the civil rights movement set about challenging the traditional order in Lee County. In 1965, Tupelo became the second community in the state to sign a school antidiscrimination agreement (following Greenville by a day) and desegregated its schools that Fall without incident.
It would be nice to be able to write that, in the decades since then, the course of race relations in Lee County has been smooth and untroubled, but that is not the case. On any number of issues, from political representation to relations between the police and the black community to the employment of black workers, whites and blacks have become embroiled in the same controversies that have beset other communities around the country—sometimes with the same level of tension. In each case, though, the community’s leaders—white and black—have worked hard to find common ground and ways of defusing confrontation.

There is also, however, a palpable sense that the area’s black community still has some ground to gain in the ongoing struggle for equality of opportunity. Though African-Americans are now fairly prominent on the city payroll, the city’s largest banks have added black loan officers, and black entrepreneurs have moved into housing and furniture-making, as a whole, blacks remain the poorest segment of the Tupelo/Lee County population. And while blacks have been active members of the Community Development Foundation since its inception, there is a feeling among some black leaders that the CDF has not been aggressive enough in assisting black business interests. As a result, black business leaders have begun to lay the groundwork for a regional economic development program targeted at black businesses.

**The Community Development Foundation Today**

Even so, there is no question that, since its inception, the Community Development Foundation has been the single most important driving force for community development in Tupelo and Lee County. Most of the
industrial development of the 1950s and 1960s was due to the hard ef-
forts of the CDF and its individual members, people such as insurance
executive Ikey Savery who probably spent as much time recruiting in-
dustries as he did on his own business.

### CDF PRIORITY GOALS (1997-98)

- **INDUSTRY/BUSINESS:** Create 1,000 new manufacturing and 1,700
  service jobs for a total of 2,700.

- **PRIVATE/PUBLIC PARTNERSHIP:** Execute a regional thoroughfare
  system.

- **SUPPORT:** Support construction and finalize plans for programs for
  world-class advanced education center.

- **EDUCATION:** Support excellence in public education and enhanced
  university ties.

- **PRIVATE/PUBLIC PARTNERSHIP:** Promote moderate-priced housing
  (individual ownership) and work to eliminate substandard housing.

- **INDUSTRY:** Promote competitive inventory tax structure.

- **PRIVATE/PUBLIC PARTNERSHIP:** Support programs to improve com-
  munity safety and appearance.

- **BUSINESS:** Promote development of Tupelo/Lee country as a retire-
  ment community.
But if a primary goal of a community is to make itself more attractive to business, it needs to be in tune with the demands of prospective businesses, and since those needs are in constant flux, coordinating associations such as the CDF have to be flexible enough to adjust to the evolving demands and needs of the time. So the CDF of the 1990s does not look like the CDF of earlier decades. At present there is a strong, stable professional staff who have developed great sophistication in the many technical tasks they must now perform if they are to prove useful to businesses located or interested in the area. They focus on five goals:

1) to attract new employers from both the manufacturing and service sectors;

2) to improve the efficiency of existing firms;

3) to capture existing markets—that is, to retain as much of the money earned in the community as possible, by helping local businesses to buy from other local enterprises, for instance, or by pushing projects to add to the convenience of shopping locally;

4) to encourage the formation of new businesses, especially through the Entrepreneurs’ and Inventors’ forums; and

5) to reacquire dollars taxed away by higher levels of government.

What should be clear from that list is that as it has become more sophisticated, the CDF has also become more specialized, not only focusing primarily on economic development, but relying less on volunteers and more on a trained professional staff. It has, in essence, left the community without a driving force for community development.

There is no question that, since its inception, the Community Development Foundation has been the single most important driving force for community development in Tupelo and Lee County.
To some degree, that task is now in the hands of CREATE, the community foundation originally set up to oversee efforts to improve education in the outlying 14-county area. CREATE relies heavily on volunteers, has a small staff, pursues leadership development, poverty issues, educational development, health-care concerns—all the matters that, in its early decades, the CDF and its own volunteers pursued.

It may well be that this division of responsibilities will work to the community’s benefit. But it is equally true that Tupelo and Lee County got to where they are today because there was no such split.

For decades, both economic and community development were coordinated by the CDF. Its members worked with the RCDCs, spearheaded school reform efforts, developed daycare and health-care programs, created hospitals and university campuses—all the initiatives that both created a better quality of life for area residents and helped spur economic development. That the CDF has distanced itself from such activities has become, for some of its members (though certainly not all) a cause for concern. Just as disconcerting, the CDF these days is more of an elite organization than it was in the past, when the strength of the rural RCDCs ensured that the voices of working-class and poor Lee County residents were a part of its councils; as the RCDCs have declined in number in recent years, so has the representation of the county’s working class.

All of this is a reminder that community/economic development is a process that needs to be watched over and tended. The CDF is, without a doubt, one of the premier nonmetropolitan economic development organizations in the country. But that may not be where its greatest challenge lies in the future. Instead, it will be working hand-in-hand with those pursuing community development, so that the seamless relation-
ship between community and economic development that built Tupelo can once again flourish.

**A Final Word**

It would be easy, contemplating the riveting story of Tupelo’s growth since 1940, to imagine that it is unique, engendered by a confluence of circumstances that cannot be repeated elsewhere. In one sense, of course, Tupelo *is* unique: It seems fair to say that no other community in its circumstances has accomplished so much over the last half-century with such modest resources.

But it is not Tupelo’s distinctiveness that makes it worth spending time with; it is its ordinariness. In the end, all Tupelo has ever had to work with is what even the most beaten-down, dispirited community has—its own people. Over the years it may have figured out better than most how to connect those people one to another, but that is something any community ought to be able to do.

If there is a single, striking insight into this process that comes out of Tupelo’s experience, it is that community development does not take place in big auditoriums, around conference tables, or in basement meeting halls; it finds its essence in private conversation, in the quiet, one-on-one accretion of commitment. Not every such encounter is as charged as the exchange between George McLean and Bill Jones that began this story, but the outcome is often the same. People connect with community development when they understand how it affects them and their families; only then can they begin to see not only where their self-interest joins with the community’s, but where their most productive role might be.
What is lasting, then, about Tupelo’s story is not the community’s triumphs but its aptitude for common effort, for focusing the individual strengths of its citizens on the communal good. On this front, Tupelo has been helped by a small cluster of underlying qualities, with which it seems fitting to close its story.

First among them is trust, which allows citizens to understand one another—who they are; what they stand for; how their interests intersect. Not only did George McLean have to establish himself with Tupelo’s leaders and rural people, but town leaders, through their actions, had to earn the trust of residents of both town and countryside. It was their willingness to invest their time and money—and to do it in a fashion that was clearly aimed at the region’s best interests, not their own—that established their credibility.

Trust, however, leads nowhere without a shared vision that gives clear direction to the community. In Lee County, the most widely held vision was to raise the economic level of the people living there; the question was how to reach that goal. Though the community has gained much insight from the thoughts and experiences of outside consultants and other communities, its true wellsprings lay in the back-and-forth between leaders and ordinary people. It was not enough just to argue that people should work to raise their own conditions: Those who had the resources by which people could improve their lives were called on to share them, and how they got spent over time rested on hundreds of inclusive visioning and planning efforts.

Ensuring that this process has value, of course, rests on communication. It demands the ability to listen—in those instances where Lee County leadership acted without listening, projects invariably failed—as well as the ability to communicate through example, as community leaders such as George McLean, Jack Reed and Ikey Savery did by devoting
much of their time to community development. It requires one-on-one communication as well as some vehicle, such as the Daily Journal, that has the credibility and breadth to act as the community’s conscience. And it demands organized channels for taking the pulse of the community, from monthly factory management meetings with the staff of the CDF to the RCDCs to the region’s Council of Governments.

In the end, open channels of communication have value only so long as the community is able to mobilize resources on every level from individual talents to bringing in state or federal support. Over time, Lee County has evolved a dense and overlapping network of what can only be called teams, which both focus on common goals and use their own networks to generate whatever resources are needed to bring projects to fruition.

At its heart, though, what Lee County has achieved is something of a loop: The CDF would concentrate on projects that created jobs or raised incomes, which in turn boosted spending on goods and services and the local tax base, and a portion of those new earnings were then reinvested in community development projects.

One clear strength Tupelo has had in pursuing this route is a wealth of what community development specialists call “generalist” leaders, those whose concern is the community as a whole, not just their little piece of it. Its ability to produce them seems to rest in the social structures created back in the 1940s, especially the CDF and the RCDCs. Both organizations were created by people who wanted organizations that would be involved in all aspects of the community, and those who learned leadership skills through them internalized that value.

This suggests the final quality that has marked Tupelo’s experience: persistence. Community development takes time. It takes years of
No community that is embarking on a development effort can know where it is going to lead. But it does need to know this: It will take time to get there.

groundwork, learning from failure, the slow spread of values, the evolution of a community culture, the ability to be satisfied with progress that is measured in the tiniest of increments. No community embarking on a development effort can know where it is going to lead, but it does need to know this: It will take time to get there. “I am here to tell you that it can be done and it has been done,” George McLean told the U.S. Chamber of Commerce toward the end of his life. “We have not reached utopia, and we never expect to do so, but we know that we are on the right track, and we expect to keep on keeping on.”
TUPELO’S COMMUNITY DEVELOPMENT TIME LINE

1936 George McLean’s editorial calling for a plan for rural development in Lee County.

1941 Tupelo Area Artificial Insemination Association begins.

1945 Doane Agricultural Service is hired to help create a comprehensive plan for community development.

1946 Rural Community Development Councils are begun in three communities in three different counties.

1946 DayBrite, the town’s first new industry under the new community development program, agrees to locate in Tupelo.

1948 The Community Development Foundation is established.

1948 Morris Futorian builds the first upholstered furniture factory in northeast Mississippi.

1955 Super Sagless builds the first furniture supplier business in Tupelo.

1956 Harry Martin becomes the president of the Community Development Foundation. (He still serves in that position in 1999.)

1956 The state legislature passes a measure authorizing public funds to be contributed to the CDF.

1959 Community Relations Agency is established to help improve and maintain good employee-employer relations.

1962 The first business is located in Lee County’s first true industrial park, located seven miles south of town.

1963 Vocational-Technical Education Program is launched; shortly thereafter it becomes the Tupelo branch of Itawamba Community College.

1967 Tupelo is selected as an All America City by the National Civic League.
1969  The Lee County Council of Governments is created to link the county’s municipal governments.

1970  The town celebrates its centennial by focusing on “the Second Hundred Years” and deciding to strengthen the community’s education system.

1972  CREATE, the community foundation, is launched.

1972  Planning begins to build a branch of the University of Mississippi using local money.

1976  Community recommits to improving public education and initiates new educational programs.

1982  National Model for Technical Development is initiated.

1983  Local leaders begin the Association for Excellence in Education to secure private funds for public education.

1983  George McLean dies.

1986  Partners for Literacy, a program to eliminate adult illiteracy, is begun.

1986  The CDF is selected by Site Magazine as one of the nation’s top 10 industrial development agencies.

1987  The Tupelo Furniture Market sets up shop.

1989  Tupelo is selected an All America City for the second time.

1989  Tupelo’s program for private-public partnership in education is identified by the Ford Foundation and Harvard’s Kennedy School of Government as one of the 10 most innovative in the nation.

1993  The CDF repeats as a selection as one of the 10 top economic development programs in the nation.

1994  After almost 20 years of organization and work, the four-lane highway between Memphis and Birmingham is completed. Tupelo leaders helped develop the plan and mobilize the effort.
The Community Strategies Group (CSG) of the Aspen Institute gratefully acknowledges the support of the W.K. Kellogg Foundation, which contributed to the writing and publication of this case study. CSG also thanks Vaughn Grisham at The George A. McLean Institute for Community Development at the University of Mississippi and freelance writer Rob Gurwitt for their tireless efforts in the research, writing, and editing of the report. CSG’s Robert Donnan also deserves great credit, as does graphic designer Betsy Rubinstein of InForm for fine-tuning this piece into publication. Finally, CSG wishes to thank the Ford Foundation for its many years of program support.

Originally established at the Aspen Institute in 1985 as the Rural Economic Policy Program, and renamed Community Strategies Group in 2000, CSG strives to have a positive impact on communities by designing, facilitating and participating in ongoing peer-learning and networking opportunities that enhance the efforts of organizations and practitioners working to achieve more widely shared and lasting prosperity in communities, and that sustain the impact of funders’ investment in them. CSG’s core business focuses in the fields of community and economic development, civic capacity, family and regional livelihood, and community-based philanthropy. CSG also designs and convenes occasional one-time gatherings of foundation or community practitioners working on issues critical to the collective learning of a larger field. In addition, CSG analyzes and packages guiding lessons and strategies from its various learning initiatives.

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HAND IN HAND: COMMUNITY AND ECONOMIC DEVELOPMENT IN TUPELO

BY VAUGHN GRISHAM & ROB GURWITT

A CASE STUDY

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Economic Development in Tupelo